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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations: financing of the United Nations peacekeeping operations

Financing of the United Nations Logistics Base, Brindisi

Report of the Secretary-General

Summary

The present report presents the budget of the United Nations Logistics Base at Brindisi, Italy, for the 12-month period from 1 July 1997 to 30 June 1998. The total budget amounts to $14,503,900 gross ($13,952,000 net) and consists of the maintenance budget of $10,220,700 gross ($9,744,500 net) and a one-time backlog clearance cost of $4,283,200 gross ($4,207,500 net).

The maintenance budget for the 12-month period represents a net increase of $2,345,700 compared with the cost estimates for the prior 12 months, from 1 July 1996 to 30 June 1997, of $7,875,000 gross ($7,375,200 net). The budget provides for a civilian establishment consisting of 23 international staff (10 Professional, 6 Field Service and 7 General Service) and 21 locally recruited staff. The estimates also provide for alteration and maintenance of premises; spare parts for the refurbishment of vehicles, communications and other equipment; the acquisition of equipment; contractual services; and freight.

The estimated cost for the clearance of the backlog of inventory amounts to $4,283,200 gross ($4,207,500 net) and covers staff costs, premises, transport operations, communications, other equipment and contractual services.

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This report takes into account the views of the Advisory Committee on Administrative and Budgetary Questions (see A/50/985), as well as those of the Office of Internal Oversight Services set out in its report on the May 1996 audit of the United Nations Logistics Base (A/51/803). It also includes a revised mission statement and organizational structure, clarification of the functions of the Base and a cost avoidance analysis.

The actions to be taken by the General Assembly are set out in paragraph 38 of the report.

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I. Introduction

1. The proposed budget for the financing of the United Nations Logistics Base at Brindisi for the 12-month period from 1 July 1996 to 30 June 1997 amounting to $7,875,000 gross ($7,375,200 net) was contained in document A/50/907 dated 1 April 1996. The Advisory Committee on Administrative and Budgetary Questions, in paragraph 25 of its report dated 26 June 1996 (A/50/985), recommended that the General Assembly approve the cost estimates to be prorated among the individual peacekeeping operation budgets. The Committee recommended that any additional appropriation that might be required should be justified by the Secretary-General in the context of the performance reports of the relevant peacekeeping operations.

2. The General Assembly by its decision 50/500 of 17 September 1996 deferred consideration of the above-mentioned reports to its fifty-first session, pending submission of follow-up information to the Advisory Committee, including, *inter alia*, a cost-benefit analysis for the United Nations Logistics Base at Brindisi.

3. The cost-benefit analysis, from the perspective of a cost avoidance analysis, is presented in annex VIII to the present report. The report also addresses the need for a clearly defined strategy for the integrated logistics support of peacekeeping operations (sect. II), requirements for a permanent facility to hold assets from liquidated missions for reuse where it is economical to do so (sect. III), to maintain initial provisioning supplies to improve the immediate operational effectiveness of new peacekeeping missions (sect. IV) and to support communications between United Nations Headquarters and its global peacekeeping missions (sect. VII).

II. Background

4. It has long been recognized that the United Nations needs a secure, well-supported location in which to store and maintain its reserves of peacekeeping *materiél*. By late 1993, the scale of United Nations peacekeeping operations had grown to the extent that there was growing pressure to replace the limited storage and logistics support capacity of the United Nations Supply Depot at Pisa with a larger and more capable logistics support facility. Following an examination of such factors as operational requirements, cost and flexibility to respond to crisis situations, it was concluded that a permanent logistics base was required, configured to provide only the minimum essential functional capabilities.

5. Although the requirement to mount new missions has been reduced from the peak attained during the period from 1993 to 1995, the Organization still considers it essential to maintain a capability to respond quickly to unforeseen international crises, by prepositioning appropriate equipment ready for immediate use. The prepositioning of equipment is a practical and common method, used by many disaster relief agencies and national defence establishments when there is a requirement for rapid reaction. A brief description of the history of the United Nations Logistics Base and the Secretariat's proposals for its future concept, resourcing policy and working practices are presented below.

III. Location of the United Nations Logistics Base

6. On identifying the need to replace the United Nations Supply Depot, the Secretariat informally approached a number of Governments to determine whether another facility could be made available. This démarche resulted in an offer from the Government of Italy to provide premises at a secure Italian Air Force base at Brindisi.

7. The strategic location of Brindisi vis-à-vis United Nations peacekeeping operations was a key factor contributing to the selection of the site; in particular, it was ideally located to support the very large operation of the United Nations Protection Force (UNPROFOR). Although UNPROFOR and its successor, the United Nations Peace Forces (UNPF) have now ceased operation, Brindisi remains strategically central

to United Nations peacekeeping operations, 13 of the current 17 field missions being located within 5,000 kilometres of the Base (UNOMIL, MINURSO, UNFICYP, UNMIBH, UNTAES, UNPREDEP, UNTSO, UNIFIL, UNDOF, UNIKOM, UNAVEM III, UNOMIG, UNMOT). In addition, the location offers the Base spacious warehouse facilities, open-air storage space, administrative facilities, direct access to an airfield capable of handling the largest transport aircraft, close proximity to a deep seaport, and highly developed motorway and railway networks. Being located within a well developed local economy, it also has immediate access to the whole range of technical services which may be needed in support of United Nations logistics operations.

8. The United Nations Logistics Base has been in operation since late 1994 under a rent-free arrangement with the Government of Italy. The memorandum of understanding regarding the use by the United Nations of these facilities was signed by the Secretary-General and the Government of Italy on 23 November 1994.

IV. Operations of the United Nations Logistics Base, 1994-1997

9. To date, the United Nations Logistics Base has received the surplus assets from the closing United Nations field missions in Mozambique, Rwanda, Somalia and the former Yugoslavia, and has refurbished and redistributed much of this equipment to most of the active field missions, in Angola, Georgia, Haiti, Liberia, Rwanda, Tajikistan and the former Yugoslavia. As shown in annexes VI and VII, some 30,000 tons of equipment were handled by the Base during 1994-1996; over 18,000 tons received from missions and over 13,000 tons reissued to missions. This process of reissuing used *matériel* to field missions has vastly speeded up the process of providing those missions with the equipment required to carry out their tasks. While it can take up to 12 to 18 months to procure new equipment for missions, the redistribution of assets held at the Base to a field mission can be achieved in only 2 to 4 weeks. In the process, it is estimated that the Base has also avoided at least $49.7 million in new procurement costs for the Organization. A detailed cost avoidance analysis explaining the derivation of those savings is given in annex VIII.

10. Much has been learned from the early problems of the United Nations Logistics Base, especially regarding the selection and condition of equipment to be returned to it. Detailed guidelines have been issued to closing missions on what should be returned to the Base, and what should be disposed of locally, by sale or, where approved, by donation.

V. Roles of the United Nations Logistics Base

11. As stated in the report of the Secretary-General on the management of peacekeeping assets, dated 3 July 1995 (A/49/936), the three principal functions of the United Nations Logistics Base were originally defined as being:

(a) To receive, inspect and repair as necessary and store surplus assets from closing or downsizing peacekeeping operations;

(b) To maintain a reserve of equipment and supplies (drawn initially from available surplus assets) in the form of mission start-up kits;

(c) To act as a "rear logistics" base for UNPROFOR in the former Yugoslavia (for logistics support, as a training area, and as a "safe haven" for the relocation of personnel and *matériel*, and the continuation of operations, should it have become necessary to evacuate UNPROFOR).

12. With the transition from UNPROFOR to the Implementation Force in Bosnia and Herzegovina, the third of those functions largely ceased to be applicable, although the "safe haven" capability of the Base may remain of value to the field missions in Cyprus, the Golan Heights, Lebanon and the former Yugoslavia.

13. Experience of actual operations of the Base during this initial, trial period has allowed the Secretariat to better understand the critical roles which the Base has to play in enhancing the efficiency and effectiveness of United Nations peacekeeping operations, and in acting as an essential communications and data link between those operations and United Nations Headquarters in New York. Its roles are now defined as:

(a) To enhance efficiency, by storing, and maintaining in a serviceable condition, reusable assets from liquidated field missions, when it is economic to do so. Those assets thus remain available for the initial provisioning of new missions, or for the sustainment of existing missions. In this way, the United Nations receives maximum return from the investment in those assets, while minimizing the requirement for new procurement;

(b) To enhance effectiveness, by preparing and maintaining two mission start-up kits instead of five as originally proposed (see A/49/936), each designed to provide the basic support requirements for up to 100 persons for a period of up to three months in a "bare-base" environment, anywhere in the world;

(c) To act as a satellite communications link between United Nations Headquarters and the peacekeeping operations in Central Asia, the Middle East and the former Yugoslavia.

Together, these three roles constitute the revised mission statement of the United Nations Logistics Base.

VI. Operational responsiveness

14. The mission start-up kits, which were explained in detail in the Secretary General's report (A/49/936) are intended to allow the United Nations to mount a truly rapid response to any new peacekeeping requirement, foreseen or unforeseen, by providing the basic, initial provisioning for the start-up of any new mission. It is recognized however that there will invariably be a requirement for tailoring or augmenting those kits whenever they are deployed, in order to best meet the exact requirements of the particular operational area.

VII. Satellite communications facility

15. The geographic location of the United Nations Logistics Base permits it to utilize four of the five satellites on which the United Nations currently leases transponder space. The Base's satellite communications installation acts as a relay point between the field missions which are within the "footprint" of the Global Atlantic Region Satellite, and those within the "footprint" of the Indian Ocean Region Satellite. This function was previously performed by a satellite communications facility in UNIFIL but, because of concerns about the security and permanence of that location, this function was transferred to the Base effective September 1995. In addition, it was necessary to create a satellite communications hub, in a safe environment, in support of UNPROFOR. At the time those requirements were identified, a review was made of all possible sites, and it was concluded that the Brindisi location was ideal. Not only was it the only place which met all of the United Nations essential requirements of immediate availability, geographic location, installation security and a non-hostile environment, it was also (and still is) the only United Nations satellite hub within the envisaged "footprint", and had the added advantage of being on a rent-free site.

16. The Base's satellite communications facility serves 11 United Nations field missions and offices (UNAVEM, UNFICYP, UNOMIG, UNDOF, UNIFIL, UNTAES, UNIKOM, UNMOT, UNMOGIP, UNMIBH and UNPREDEP), as well as linking the Base with United Nations Headquarters and all the

other field missions. The installation also provides satellite relay services for the internal communications requirements of some missions, thus eliminating the need for additional satellite earth stations within those missions. A telephone and data network is connected to the satellite communications installation. This provides the switching facilities required to effectively serve the communications requirements of the United Nations operations for the coming years, and will also provide a framework to meet the anticipated real-time data transfer requirements of the planned global *matériel* management system.

VIII. Resourcing policy

17. As indicated in the report of the Secretary-General (A/50/907, para. 5) the financing of the Base has been met on an ad hoc basis and from within the existing budgets of various peacekeeping operations since the signing of the memorandum of understanding on 23 November 1994.

18. The Base is only now beginning to recover from its very difficult early days. It is finally addressing the problems which arose from the unavoidably rushed receipt and storage of the consignments from UNOSOM and ONUMOZ. It is gradually identifying its holdings of *matériel*, and is either transferring it into proper storage facilities or is designating it as surplus and scrap for disposal, as appropriate. Much of the *matériel* has remained in its original shipping containers, thereby creating a large backlog of work, as the resources required to properly unpack, identify and store were not available. It is now proposed to undertake a one-time-only exercise to clear this backlog completely.

19. The initial period of operation of the Base has allowed the Secretariat to consider how best to provide the resources necessary for its continued, economic operation. To this end, it is proposed that the resourcing of the Base should be designed with a view to maintaining a core capability, sufficient to fulfil the Base's essential functions and to allow it to handle rapid surges of activity when required (i.e., the reception and processing of surplus equipment from closing missions, or the preparation and dispatch of equipment to new missions), subject to the provision of temporary additional resources. When required, these additional resources should be drawn from the budgets of the closing or new missions involved.

20. Furthermore, it is proposed to adopt the principle of self-funding replenishment by charging field missions for the services performed by the Base on their behalf. Such charges would essentially take two forms. Where a mission start-up kit is deployed in support of a new mission, the full cost of replacing all of the *matériel* issued, from new procurement, would be charged to the new mission's budget. This "replenishment" concept will allow the Base to maintain indefinitely the viability of the mission start-up kits, without incurring any additional expenses for the Organization, as the new mission would have needed to procure the relevant *matériel* anyway. For non-start-up kit *matériel*, the cost of refurbishment and preservation will be charged to the liquidation budget. Future liquidation budgets will include a provision to cover this work, equal to 30 per cent of the total depreciated value of the equipment to be transferred to the Base. If this proposal is approved by the General Assembly, these arrangements would apply to the Base's budget for the period beginning on 1 July 1998. The current proposed budget includes provision for spare parts and personnel services required for the refurbishment of existing equipment and equipment expected to be received during the period ending on 30 June 1998. Shipping costs, including preparation, for equipment shipped from the Base will be charged to the receiving mission.

IX. Working practices

21. Because the workload of the Base will inevitably vary in association with the level of peacekeeping activity, the Secretariat intends to use general temporary assistance and contractual services to carry out repair, refurbishment and preservation work as required and when it is economical to do so. Furthermore, the Secretariat has no intention of investing in new, fixed workshop and maintenance facilities at the Base. Where suitable facilities already exist, however, these may be used by the contractors to carry out their

work under agreed-upon arrangements. Where such facilities do not exist, the contractors would be expected to provide all necessary requirements, off-site if necessary.

22. It is well recognized that the requirements for closing existing missions or starting up new missions normally lead to short-term surges in logistics support requirements. The Base would be able to meet its commitments at such times by increasing its general temporary assistance capacity as required. This additional support would be charged against the budgets of the benefiting missions, as appropriate.

X. Policy for the transfer of used assets to the United Nations Logistics Base

23. In accordance with the recommendation of the Office of Internal Oversight Services that only equipment expected to be used in future peacekeeping missions be shipped to the Base, it is imperative that it not receive large quantities of *matériel* of doubtful quality and value from closing missions, leading to the creation of new backlogs of equipment awaiting assessment and repair or disposal. The guiding principle for deciding what items are to be transferred to the Base for possible reuse will be whether it is cost-effective to retain individual items, taking into account their condition, the cost of any necessary repair or refurbishment and shipping cost to the Base, as well as their remaining useful life. It is therefore proposed that the items to be shipped to the Base in the future should have at least two years' useful life remaining, and be either serviceable or repairable at not more than 30 per cent of their depreciated value.

24. It is also proposed that provision should be made for teams of logistics experts to assist the management of closing missions in the task of identifying items for transfer to the Base. There may be situations, however, in which, owing to the security situation at the time of mission liquidation, the United Nations may be forced to repatriate unserviceable *matériel* to the Base or to abandon *matériel* in the mission area. If such abandonment could lead to misuse, however, such *matériel* would of necessity be destroyed instead.

25. The expeditious, economic and safe disposal of surplus and scrap equipment by closing missions will be carried out in accordance with the proposals endorsed by the General Assembly in section VII of its resolution 49/233 A of 23 December 1994. The fundamental principles of the disposition of assets from peacekeeping operations, as set out in paragraph 110 of the report of the Secretary-General (A/48/945 and Corr.1) of 25 May 1994 and as agreed to by the Advisory Committee on Administrative and Budgetary Questions in paragraph 116 of its report (A/49/664) of 18 November 1994 are as follows:

(a) *Group I*. Equipment in good condition that conforms to established standardization or is considered compatible with existing equipment will be redeployed to other United Nations operations elsewhere in the world or will be placed in reserve to form the start-up kits for use by future missions;

(b) *Group II*. Equipment not required by other peacekeeping missions but which may be useful for operations of other United Nations agencies, international organizations or non-governmental organizations and which it is not feasible to keep in reserve will be sold to a relevant agency or organization;

(c) *Group III*. Any equipment or property not required or which it is not feasible to dispose of in the above manner or which is in poor condition will be subject to commercial disposal in the area of operations, following standard United Nations regulations and procedures;

(d) *Group IV*. Any surplus mission assets remaining after disposition under the terms referred to under paragraphs (a) to (c) above, and/or any assets which, if dismantled, would in fact set back the rehabilitation process of the country, will be contributed to the duly recognized Government of the country involved. All efforts should be made to obtain from the Government its agreement to compensate the United Nations in a mutually acceptable form (contributions, services, tax exemption, etc.) for the residual value of any surplus mission assets installed in the country which could not be otherwise disposed of. The General Assembly should, as a matter of principle, be requested to

approve any such disposition of mission assets which would provide for free-of-charge contribution to the Government.

26. Finally, the Secretariat has in the past found itself forced to store, for an indefinite period, loaned or donated military-type equipment, because the licence agreements, or restrictions placed on its disposal to third parties by the contributing Member State, had made its disposal virtually impossible. The difficulties caused by such situations have, on occasion, been further compounded by the refusal of the original contributing Member State to accept the return of the equipment involved. The Secretariat intends to avoid repetitions of such situations in future by including clauses in the relevant loan or donation agreements with the original contributor either (a) to accept the return of the equipment at the end of its use by the United Nations; or (b) to agree to the transfer of the equipment to whatever third party has actually operated it during its use by the United Nations.

27. The process of transferring equipment to the Base should be exactly the same as that for the transfer of assets between two missions. All assets transferred from missions and held by the Base are now recorded as assets of the Base, which will therefore be responsible for their disposal. It is proposed that any receipts from such disposals should be credited as miscellaneous income.

XI. Asset retention policy

28. It would clearly be both inefficient and uneconomic for the Secretariat to retain indefinitely all *matériel* sent to the Base. There is therefore a need for clear policy guidelines on what equipment should be retained and what disposed of. The Secretariat believes that such guidelines should be based on a pragmatic assessment of the potential utility of the *matériel* against any necessary cost of making it serviceable for future use. It therefore proposes to limit the Base's maximum holding of any given item to the quantity required for the mission start-up kits, plus two years' worth of projected use for that item. The latter criterion is designed to make maximum but economic use of the Base's ability to provide field mission requirements well within the usual 12- to 18-month procurement cycle. Notwithstanding these maximum retention criteria, the Base will regularly survey its holdings to ensure that they remain usable. On the basis of those surveys, *matériel* will be retained only if:

(a) It is serviceable, and has at least two years' useful life remaining;

(b) It can be made serviceable at a cost no greater than 30 per cent of its depreciated value and, after repair, will have at least two years' useful life remaining;

(c) Procurement lead-times for the equipment involved normally exceed the "usual" six-month mission mandate period.

29. In cases where *matériel* held by the Base is found not to meet any of these criteria, it will either be redeployed to existing missions under the terms of the Group I criteria above or, if this is not feasible, be disposed of as being of no further economic use to the Organization.

30. This policy would have to be applied flexibly, however, to allow for the repair and retention of items which may be in poor condition but in short supply, while allowing for the disposal of other items which may be of better quality but in much greater supply.

XII. Cost estimates for the period from 1 July 1997 to 30 June 1998

31. The cost estimates for the United Nations Logistics Base are provided for the 12-month period from 1 July 1997 to 30 June 1998 so as to align the financing period of the Base with that of the peacekeeping operations as specified in section I of General Assembly resolution 49/233 A.

32. The total budget amounts to $14,503,900 gross ($13,952,000 net) and consists of the maintenance budget of $10,220,700 gross ($9,744,500 net) and a one-time backlog clearance cost of $4,283,200 gross ($4,207,500 net).

33. The cost of maintaining the Base for the period from 1 July 1997 to 30 June 1998 is estimated at $10,220,700 gross ($9,744,500 net). A summary of the cost estimates for this period is presented in annex I and the cost parameters and supplementary information thereon in annex II, sections A to D. The estimates reflect a net increase of $2,345,700 compared to the cost estimates for the prior 12-month period. This increase is attributable to the inclusion of 11 additional civilian posts, higher costs for maintenance of premises and utilities, provision for transponder lease and pouch service and the acquisition of equipment as well as requirements for general temporary assistance and spare parts needed for the refurbishment of equipment.

34. The current and proposed staffing tables are contained in annex IV. The revised staffing establishment consists of the following four offices: Office of the Chief Administrative Officer; Administration; Inventory and Property Control Unit; and Technical Services. It is proposed to increase the core staffing establishment by 11 posts to provide for a Resident Auditor, to strengthen Finance/Budget (two posts) and Property and Inventory Control (four posts), to support the communications hub (two posts) and to provide two posts for engineering maintenance (repair of prefabricated buildings, water pumps and small items of office equipment). The proposed staffing table reflects changes in the level of several posts as well as the increase of two Professional posts (one P-3 and one P-2), one Field Service, four General Service and four local staff.

35. The estimated costs for the activities related to the clearance of the backlog of inventory over a period of 10 months commencing on 1 July 1997 amount to $4,283,200 gross ($4,207,500 net). This amount is intended to cover staff costs ($1,201,900), premises ($278,000), transport operations ($1,013,600), communications ($220,500), spare parts for other equipment ($512,000), contractual services ($981,500) and staff assessment ($75,700).

XIII. Proposal on financing arrangements

36. It is proposed that the estimated requirements totalling $14,503,900 gross ($13,952,000 net) for the period from 1 July 1997 to 30 June 1998 should be prorated among the individual active peacekeeping operation budgets rather than appropriated and assessed separately.

XIV. Recommendations of the Office of Internal Oversight Services

37. In its report on the May 1996 audit of the United Nations Logistics Base (A/51/803), the Office of Internal Oversight Services made a number of recommendations to enhance the effectiveness and efficiency of the logistics base concept, including:

(a) The Base should expeditiously determine the serviceability of materials and supplies by conducting technical reviews. It is intended that the Base should now finally clear the backlog of *matériel* awaiting technical review and that, in future, resources will be drawn from closing missions to assist the Base with this task when necessary (see also sect. VIII above);

(b) The Base should give priority to high value equipment when performing receipt and inspection functions. Under the policy for the transfer of used assets to the Base, it is anticipated that only relatively high value equipment will be transferred in future (see also sect. X above);

(c) Procedures for record-keeping and for write-off and disposal of used peacekeeping equipment should be simplified. These issues are being addressed separately as part of the Secretariat's review of its asset management and accounting procedures;

(d) Efforts to complete start-up kits should be intensified. It is intended to concentrate on completing the planned two start-up kits as the Base backlog is being cleared.

XV. Actions to be taken by the General Assembly at its fifty-first session

38. The actions to be taken by the General Assembly at its fifty-first session in connection with the financing of the United Nations Logistics Base include the following:

(a) Approval of the cost estimates for the Base amounting to $7,875,000 gross ($7,375,200 net) for the period from 1 July 1996 to 30 June 1997;

(b) Approval of the cost estimates for the Base amounting to $14,503,900 gross ($13,952,000 net) for the period from 1 July 1997 to 30 June 1998, including the amount of $4,283,200 gross ($4,207,500 net) for the clearance of backlog inventory;

(c) A decision to prorate the amount of $14,503,900 gross ($13,952,000 net) among the individual active peacekeeping operation budgets, to meet the financing requirements of the Base for the period from 1 July 1997 to 30 June 1998;

(d) Approval of the resourcing policy proposed in section VIII of the present report regarding the inclusion in future liquidation budgets of provision for the cost of repair, refurbishment and preservation equal to 30 per cent of the total depreciated value of the equipment to be transferred to the Base;

(e) Approval of the policy proposed in section X of the present report that items transferred to the Base should have at least two years' useful life remaining and be either serviceable or repairable at not more than 30 per cent of their depreciated value.

Annex I
Cost estimates for the period from 1 July 1997 to 30 June 1998

(Thousands of United States dollars)

		(1)	(2)	(3)	(4)	(5)	(6)
			1 July 1997 to 30 June 1998				
		1 July 1996 to 30 June 1997	Total costs (3 + 4)	Operating costs	Backlog clearance	Non-recurrent costs	Recurrent costs
1.	**Military personnel costs**	-	-	-	-	-	-
2.	**Civilian personnel costs**						
	(b) International and local staff						
	International staff salaries	896.6	1 539.6	1 284.6	255.0		1 539.6
	Local staff salaries	372.3	409.7	409.7	-		409.7
	Consultants	-	-	-	-		-
	Overtime	-	-	-	-		
	General temporary assistance	-	2 000.0	1 400.0	600.0		2 000.0
	Common staff costs	650.7	1 072.1	858.0	214.1		1 072.1
	Mission subsistence allowance	449.7	754.3	621.5	132.8		754.3
	Other travel costs	23.4	27.0	27.0	-		27.0
	Subtotal	**2 392.7**	**5 802.7**	**4 600.8**	**1 201.9**	-	**5 802.7**
	(c) International contractual personnel	-	-			-	-
	(d) United Nations Volunteers	-					
	(e) Government-provided personnel	-					
	(f) Civilian electoral observers	-					
	Total, line 2	**2 392.7**	**5 802.7**	**4 600.8**	**1 201.9**	-	**5 802.7**
3.	**Premises/accommodation**						
	Rental of premises	-	-	-	-		
	Alteration and renovation of premises	-	508.0	360.0	148.0	508.0	-
	Maintenance supplies	192.0	386.8	256.8	130.0	-	386.8
	Maintenance services	610.0	814.8	814.8	-	-	814.8
	Utilities	42.0	129.4	129.4	-	-	129.4
	Construction/prefabricated buildings	-	-	-		-	-
	Total, line 3	**844.0**	**1 839.0**	**1 561.0**	**278.0**	**508.0**	**1 331.0**
4.	**Infrastructure repairs**	-	-			-	-

		(1)	(2)	(3)	(4)	(5)	(6)
			1 July 1997 to 30 June 1998				
		1 July 1996 to 30 June 1997	Total costs (3 + 4)	Operating costs	Backlog clearance	Non-recurrent costs	Recurrent costs
5.	**Transport operations**						
	Purchase of vehicles	-	46.0	46.0	-	46.0	-
	Rental of vehicles	272.4	190.0	30.0	160.0		190.0
	Workshop equipment	-	-	-	-	-	-
	Spare parts, repairs and maintenance	384.0	1 900.7	1 077.1	823.6		1 900.7
	Petrol, oil and lubricants	95.1	210.9	180.9	30.0		210.9
	Vehicle insurance	60.0	64.5	64.5	-		64.5
	Total, line 5	**811.5**	**2 412.1**	**1 398.5**	**1 013.6**	**46.0**	**2 366.1**
6.	**Air operations**	-	-	-	-		
7.	**Naval operations**	-	-	-	-		
8.	**Communications**						
	(a) *Complementary communications*						
	Communications equipment	-	50.0	50.0	-	50.0	-
	Spare parts and supplies	130.0	755.9	535.4	220.5	-	755.9
	Workshop and test equipment	-	-	-	-	-	-
	Commercial communications	32.0	124.6	124.6	-		124.6
	Subtotal	**162.0**	**930.5**	**710.0**	**220.5**	**50.0**	**880.5**
	(b) *Main trunking contract*	-	-	-	-		
	Total, line 8	**162.0**	**930.5**	**710.0**	**220.5**	**50.0**	**880.5**
9.	**Other equipment**						
	Office furniture	-	-				
	Office equipment	-	-				
	Data-processing equipment	-	96.4	96.4	-	96.4	-
	Generators	-	-	-	-	-	-
	Observation equipment	-	-	-	-	-	-
	Petrol tank plus metering equipment	-	-	-	-	-	-
	Water and septic tanks	-	-	-	-	-	-
	Medical and dental equipment	-	-	-	-	-	-
	Accommodation equipment	-	-	-	-	-	-
	Refrigeration equipment	-	-	-	-	-	-
	Miscellaneous equipment	-	35.0	35.0	-	35.0	-
	Field defence equipment	-	-	-	-	-	-
	Spare parts, repairs and maintenance	124.0	869.6	357.6	512.0	-	869.6
	Water-purification equipment	-	-	-	-	-	-
	Total, line 9	**124.0**	**1 001.0**	**489.0**	**512.0**	**131.4**	**869.6**

	(1)	(2)	(3)	(4)	(5)	(6)
		1 July 1997 to 30 June 1998				
	1 July 1996 to 30 June 1997	Total costs (3 + 4)	Operating costs	Backlog clearance	Non-recurrent costs	Recurrent costs
10. Supplies and services						
(a) Miscellaneous services						
Audit services	17.2	34.4	34.4	-	-	34.4
Contractual services	2 769.6	1 586.5	605.0	981.5	-	1 586.5
Data-processing services	-	-	-	-	-	-
Security services	120.0	-	-	-	-	-
Medical treatment and services	-	-	-	-	-	-
Claims and adjustments	-	-	-	-	-	-
Official hospitality	-	2.0	2.0	-	-	2.0
Miscellaneous other services	-	50.0	50.0	-	-	50.0
Subtotal	**2 906.8**	**1 672.9**	**691.4**	**981.5**	-	**1 672.9**
(b) Miscellaneous supplies						
Stationery and office supplies	-	30.0	30.0	-	-	30.0
Medical supplies	-	-	-	-	-	-
Sanitation and cleaning materials	-	9.8	9.8	-	-	9.8
Subscriptions	-	-	-	-	-	-
Electrical supplies	-	-	-	-	-	-
Ballistic protective blankets for vehicles	-	-	-	-	-	-
Uniform items, flags and decals	-	-	-	-	-	-
Field defence stores	-	-	-	-	-	-
Operational maps	-	-	-	-	-	-
Quartermaster and general stores	-	-	-	-	-	
Miscellaneous supplies	60.0	37.0	37.0	-	-	37.0
Subtotal	60.0	**76.8**	**76.8**	-	-	**76.8**
Total, line 10	**2 966.8**	**1 749.7**	**768.2**	**981.5**	-	**1 749.7**
11. Election-related supplies and services	-	-	-	-		
12. Public information programmes		-	-	-		
13. Training programmes		62.0	62.0	-	-	62.0
14. Mine-clearing programmes		-	-	-	-	-
15. Assistance for disarmament and demobilization		-	-	-	-	-
16. Air and surface freight						
Transport of contingent-owned equipment	-	-				
Military airlifts	-	-				
Commercial freight and cartage	74.2	155.0	155.0	-	-	155.0
Total, line 16	**74.2**	**155.0**	**155.0**	-	-	**155.0**
17. United Nations Logistics Base, Brindisi	-	-	-	-	-	-

		(1)	(2)	(3)	(4)	(5)	(6)
			1 July 1997 to 30 June 1998				
		1 July 1996 to 30 June 1997	Total costs (3 + 4)	Operating costs	Backlog clearance	Non-recurrent costs	Recurrent costs
18.	**Support account for peacekeeping operations**	-	-	-	-		
19.	**Staff assessment**	**499.8**	551.9	476.2	75.7	-	551.9
	Total, lines 1-19	**7 875.0**	**14 503.9**	**10 220.7**	**4 283.2**	**735.4**	**13 768.5**
20.	**Income from staff assessment**	(499.8)	(551.9)	(476.2)	(75.7)	-	(551.9)
21.	**Voluntary contributions in kind (budgeted)**	-	-				
	Total, lines 20-21	**(499.8)**	**(551.9)**	**(476.2)**	**(75.7)**	-	**(551.9)**
	Gross requirements	7 875.0	14 503.9	10 220.7	4 283.2	735.4	13 768.5
	Net requirements	7 375.2	13 952.0	9 744.5	4 207.5	735.4	13 216.6
22.	**Voluntary contributions in kind (non-budgeted)**	-	-	-	-		-
	Total resources	**7 875.0**	**14 503.9**	**10 220.7**	**4 283.2**	**735.4**	**13 768.5**

Annex II
Supplementary information on the cost estimates for the period from 1 July 1997 to 30 June 1998

A. Mission-specific costs and ratios

Description	Previous submission	Proposed estimates: Average strength	Proposed estimates: Unit or daily cost (United States dollars)	Proposed estimates: Monthly cost (United States dollars)	Proposed estimates: Annual cost (United States dollars)	Ratio	Explanation
I. Maintenance budget							
1. Mission subsistence allowance							
(a) First 30 days	93.00		88.00				Rate of 4,475,000 lire for first 30 days and 3,700,000 lire per month thereafter approved by the Office of Human Resources Management effective 1 April 1995.
(b) After 30 days	77.00		73.00				
2. Civilian personnel costs							
International staff	16		23				See section B of the present annex for additional information.
Local staff	17		21				
3. Local staff							
Net salary	1 825			1 620			Salary scale effective 1 April 1995, based on current exchange rate of 1,700 lire per United States dollar.
Common staff costs	1 350			650			
Staff assessment	1 200			470			
4. Travel	23 400				27 000		An amount of $5,000 is included for internal audit travel.
5. Premises							
Maintenance supplies	16 000			21 400			It is anticipated that additional buildings will be handed over to the Base by the Government of Italy during the budget period.
Maintenance services	50 800			67 900			
6. Utilities							
Water	—			333			
Sewage	—			467			
Electricity	3 500			6 333			
Heating fuel	—			2 200			
Generator fuel	—			1 450			

Description	Previous submission	Proposed estimates: Average strength	Unit or daily cost (United States dollars)	Monthly cost (United States dollars)	Annual cost (United States dollars)	Ratio	Explanation
7. Vehicles	66	52				1:1.8	Ratio is based on 52 vehicles to 44 core staff; however, vehicles will also be used by personnel hired under special service agreements.
Trailers	3	3					
Engineering equipment	14	14					
8. Rental of vehicles	22 700			2 500			
9. Spare parts, repair and maintenance of vehicles (each)							
Civilian pattern	6 000						
Light vehicles		43			1 498		
Medium vehicles		4			1 926		
Heavy vehicles		5			2 354		
Engineering equipment		14			5 350		
Heavy trailers		3			1 605		
10. Petrol (each)							
Civilian pattern	5.20						
Light			3.24				Price of petrol is $0.40 per litre. Additional information is provided in section B of the present annex.
Medium			4.10				
Heavy			4.32				
Engineering			13.44				
11. Vehicle insurance							
Civilian pattern	75.76			20.80			Current rate for worldwide vehicle third-party liability insurance programme.
12. Commercial communications	2 650			10 383			See section B of the present annex for additional information.
13. Contractual services							
Refurbishment of vehicles	100 000			—			
Vehicle spare parts	219 600			—			
Rewarehousing, packing, loading of equipment	800 400				250 000		
Communications technicians	80 400			—			
Electronic data-processing technicians	55 200			—			
Repair of office equipment	20 400			—			
Disposal of waste	153 600			—			
Customs clearance services	39 600			—			
Receiving and inspection services	200 400			—			
Cleaning of buildings	—				34 000		
Garbage collection	—				42 000		
Water supply	—				3 500		

Description	Previous submission	Proposed estimates: Average strength	Unit or daily cost	Monthly cost	Annual cost	Ratio	Explanation
			(United States dollars)				
Rental of portable toilets	—				10 000		
Grounds maintenance	—				13 000		
Fumigation and pest control	—				12 500		
Container refurbishment	—				180 000		
Memorandum of understanding administrative costs	—				60 000		
14. Security services	10 000			—			Included under general temporary assistance.
II. Backlog budget							
1. Mission subsistence allowance							
(a) First 30 days			88.00				
(b) After 30 days			73.00				
2. Civilian personnel							
International staff		8					
3. Premises							
Maintenance supplies				13 000			
4. Vehicles (each)							
Rental		2					
Reserve		200					
5. Rental of vehicles				16 000			
6. Spare parts, repair and maintenance of vehicles (each)			4 118				
7. Petrol (each)			150				
8. Contractual services							
Rewarehousing of equipment	—			35 000			
Refurbishment of containers	—			8 150			
Repair of sundry equipment	—			10 000			
Generator repairs	—			45 000			

B. Supplementary explanation: maintenance budget

1. *Civilian personnel costs*. The cost estimates are based on a total of 23 international civilian staff (10 Professional, 6 Field Service and 7 General Service) and 21 local staff. Salaries, common staff costs and staff assessment for the international staff are estimated using New York standard cost rates with the post adjustment applicable to Brindisi, while those for locally recruited staff are based on the salary scale established for the duty station. The payment of mission subsistence allowance to international staff at the United Nations Logistics Base is currently authorized at the rates indicated in the cost parameters.

   The proposed staffing table is contained in annex IV. The staffing complement detailed above is intended to ensure that certain core functions, including the supervision of contractual personnel, are undertaken by United Nations staff.

2. *General temporary assistance*. An amount of $1.4 million is included to employ personnel under special service agreements for 816 person-months to perform the functions shown in annex V.A.

3. *Other travel costs*. Provision is made in the amount of $27,000 to cover two visits by the Chief of the Base to New York ($7,800), travel of the Base Liaison Officer to Rome twice each month ($14,200) in connection with the processing of visas, collection of duty-free gas coupons and issuance of licence plate renewals, and internal audit travel ($5,000).

4. *Alteration and renovation of premises*. Provision is made in the amount of $360,000 to cover repairs to Building 152 ($80,000), install hard stands around newly acquired buildings ($100,000) and upgrade the electrical wiring of newly acquired buildings ($180,000). These estimates take into account recurring costs associated with additional buildings which the Government of Italy is expected to hand over to the Base during the budget period.

5. *Maintenance supplies*. Provision is made in the amount of $256,800 to cover the cost of projects to improve the electrical and mechanical facilities, including the additional buildings, assigned to the United Nations. The United Nations is required, in accordance with Italian standards, to ensure that building maintenance and upgrading is carried out on a regular basis.

6. *Maintenance services*. Provision is made for a service contract ($814,800) for the maintenance and periodic inspection of premises used exclusively by the Base. The United Nations is required to maintain these buildings in accordance with the memorandum of understanding with the Government of Italy.

7. *Utilities*. Provision is made for $129,400 to cover electricity ($76,000), water ($4,000), sewage ($5,600) and heating fuel ($26,400). The estimate has been increased on the basis of actual charges and takes into account the additional buildings to be made available. Provision is also made for generator fuel, engine oil, coolant and antifreeze for the testing of an estimated 510 generator units during the 12-month period ($17,400).

8. *Purchase of vehicles*. Provision is made for the purchase of one light electric forklift. An electric forklift is specified for use indoors to minimize health and safety risks.

9. *Rental of vehicles*. Provision is made at the rate of $2,500 per month to cover the rental of specialized equipment, including runway sweepers, mobile cranes, low bed trailers, recovery equipment and passenger buses.

10. *Spare parts, repairs and maintenance*. Provision is made for the 69 United Nations-owned vehicles in the Base's fleet at the rates shown in section A of the present annex ($163,600). Additionally, it is assumed that of the 300 vehicles that will be kept in the United Nations reserve stock, 100 will require complete refurbishment, and all will require preservation for short- to long-term storage. For the 100 which will require complete refurbishment, provision is being made for a thorough technical inspection. Provision is accordingly made in the amount of $913,500 for refurbishment ($567,500), preservation ($338,500) and inspection ($7,500). The breakdown is as follows:

		$
Refurbishment	Light vehicles - 25 units x $2,600 per unit	65 000
	Medium vehicles - 15 units x $3,500 per unit	52 500
	Heavy vehicles - 40 units x $7,500 per unit	300 000
	Engineering vehicles - 20 units x $7,500 per unit	150 000
Preservation	Light vehicles - 50 units x $300 per unit	15 000
	Medium vehicles - 120 units x $650 per unit	78 000
	Heavy vehicles - 70 units x $2,350 per unit	164 500
	Engineering vehicles - 60 units x $1,350 per unit	81 000

Inspection As indicated above, an amount for the cost of labour has to be allocated for the technical inspection of the approximately 100 United Nations reserve vehicles which are expected to be completely refurbished. The estimate is based on previous inspections multiplied by an average of 5 hours per vehicle required to determine its suitability for repair, refurbishment or write-off: 5 hours x 170 units x $15 standard cost rate.

11. *Petrol, oil and lubricants*. Provision is made in the amount of $133,400 for petrol for the vehicle fleet based on the average daily use of different vehicle categories as follows:

	$
Light vehicles: 8.10 litres x 43 vehicles x $0.40 x 365 days	50 851
Medium vehicles: 10.25 litres x 4 vehicles x $0.40 x 365 days	5 986
Heavy vehicles: 10.80 litres x 5 vehicles x $0.40 x 365 days	7 884
Engineering vehicles: 33.60 litres x 14 vehicles x $0.40 x 365 days	68 678

Provision is made for oil and lubricants at 10 per cent of the cost of fuel ($13,300).

Provision is also made for petrol for an anticipated 300 reserve vehicles at the rate of 5 litres per vehicle during transfers for refurbishment or maintenance and road testing ($600) as well as for oil and other additives for refurbishment and storage of approximately 300 vehicles at the rate of $112 per vehicle ($33,600).

12. *Vehicle insurance*. Provision is made for third-party liability insurance under the United Nations global insurance policy for 69 United Nations-owned vehicles, including three trailers.

13. *Communications equipment*. Provision is made for the purchase of network-supported radio equipment ($40,000) and spare parts and accessories ($10,000) in line with the expansion of premises and future requirements of the radio network.

14. *Communications spare parts and supplies*. Provision is made in the amount of $535,400 for spare parts and supplies for routine maintenance and repair of communications equipment including the Base's Satellite Earth Station ($235,400) and for equipment transferred from missions ($300,000).

15. *Commercial communications*. Provision is made in the amount of $124,600 to cover the cost of commercial service lines between Brindisi and the San Pancrazio site, as well as direct line service charges when the United Nations satellite system is inaccessible ($40,000), for the transponder lease ($54,600), pouch and courier services to Headquarters and other missions ($30,000).

16. *Electronic data-processing equipment*. Provision is made in the amount of $96,400 to replace obsolete data-processing equipment which supports the Base's wide range of activities, including data communications projects for field missions ($87,400) and for maintenance packages for payroll and accounts ($9,000).

17. *Miscellaneous equipment*. Provision is made for acquisition of bar coding equipment to improve the efficiency of warehousing methods at the Base ($35,000).

18. *Spare parts, repairs and maintenance*. Provision is made in the amount of $92,300 for spare parts for existing office equipment ($50,000), eight generators ($2,300) and tools for the office equipment workshop

($40,000). Provision is also made in the amount of $265,300 for spare parts for equipment in the United Nations reserve stock; anticipated needs are:

100 photocopiers at $500 per unit ($50,000)
100 network workstations at $300 per unit ($30,000)
510 generators at $285 per unit ($145,300)
200 units of miscellaneous equipment including pumps, water production or purification materials and storage tanks ($40,000)

19. *Audit services*. The provision under this heading covers two audits.

20. *Contractual services*. Provision is made in the amount of $605,000 for the following services to be provided under contractual arrangements:

(a) Daily cleaning of offices and bathrooms, and industrial cleaning of warehouses and workshops ($34,000);

(b) Weekly garbage collection, monthly cleaning and disinfection of bins and rental of garbage dumpsters ($42,000);

(c) Contract for supply of water to the San Pancrazio storage site and the Base ($3,500);

(d) Rental of portable toilets at San Pancrazio and the Base ($10,000);

(e) Grounds maintenance ($13,000);

(f) Fumigation, disinfection and rodent control of buildings at the Base, and maintenance of fire extinguishers ($12,500);

(g) Rewarehousing, selection, preparation, packing and loading of equipment ($250,000);

(h) Repair, maintenance or refurbishment of prefabricated containers prior to storage or shipment to missions ($180,000);

(i) Memorandum of understanding administrative costs: Italian Air Force maintenance of roads and runways and miscellaneous administrative costs ($60,000).

21. *Miscellaneous other services*. Provision is made for miscellaneous services to be provided on an as-required basis, such as cleaning of body armour, and fumigation and disinfection of ablution units, which are both part of United Nations reserve stock. Provision is also made for emergency needs and services such as fire-fighting interventions, if required, disposal of contaminants to comply with environmental standards and an amount to cover miscellaneous bank charges ($50,000).

22. *Miscellaneous supplies*. Provision is made at the rate of $6,400 per month for the purchase of supplies, including stationery and archiving and training materials ($30,000), cleaning materials ($9,800), data-processing supplies ($12,000) and health and safety materials such as first-aid kits, building signs, fire extinguishers, helmets, coveralls, goggles and masks ($25,000).

23. *Training*. Provision is made for the participation of international and local core staff of the Base in a manufacturer's training course ($50,000). This is essential to ensure that staff are kept up to date with technology in the areas of communications, transport, engineering, etc. Provision is also made for the training of electronic data-processing staff in support of the networking infrastructure and computer information systems, as follows: network management ($6,000), purchasing and inventory control systems ($6,000). These estimates include daily subsistence allowance, travel costs and course registration fees.

24. *Air and surface freight*. Provision is made in the amount of $75,000 for shipping costs of vehicles and other equipment to and from the Base and various field missions and $80,000 for packaging materials including wooden pallets, cartons, bubble wrap, sea containers, etc.

25. *United Nations Logistics Base, Brindisi*. This line item is not applicable.

26. *Support account for peacekeeping operations*. No provision is made under this heading.

27. *Staff assessment*. Staff costs have been shown on a net basis under budget line item 2 (b). The estimate under this heading represents the difference between gross and net emoluments, that is, the amount of staff assessment to which United Nations staff members are subject in accordance with the Staff Regulations of the United Nations.

28. *Income from staff assessment*. The staff assessment requirements provided for under expenditure budget line item 19 have been credited to this item as income from staff assessment and are credited to the Tax Equalization Fund established by the General Assembly in its resolution 973 (X) of 15 December 1955. Member States are given credit in the Fund in proportion to their rates of contribution to peacekeeping operations.

C. Supplementary explanation: backlog budget

1. *Civilian personnel costs*. Provision is made in the amount of $601,900 to cover the salaries ($255,000), common staff costs ($214,100) and mission subsistence allowance ($132,800) of 8 international staff (1 Professional, 6 Field Service and 1 General Service) who will be deployed to the Base for periods ranging from 3 to 10 months to provide supervision, liaison and control over the contractors at their work stations and to ensure efficiency and effectiveness in connection with the clearance of the backlog. The proposed staffing requirements are:

1 P-2 (Water and Sanitation Officer)	3 months
1 Field Service (transport)	10 months
2 Field Service (refrigeration/office equipment)	10 months
2 Field Service (electronic data-processing/communications)	3 months
1 Field Service (generators)	10 months
1 General Service (receipt and inspection)	10 months

2. *General temporary assistance*. An amount of $600,000 is included to employ personnel under special service agreements for 348 person-months to perform the functions shown in annex V.B.

3. *Alteration and renovation of premises*. Provision is made for the installation of specialized shelving for transport and vehicle maintenance stores as part of the backlog clearance project ($148,000).

4. *Maintenance supplies*. Provision is made in the amount of $130,000 for the backlog clearance project to purchase sheet steel, welding rods, silicon resins, paints, etc. for refurbishing 200 sea containers ($80,000) and material bins to accommodate smaller items unpacked from containers ($50,000).

5. *Rental of vehicles*. Provision is made at the rate of $8,000 per month per vehicle for 10 months for the rental of two 3-ton forklifts and other material-handling equipment for backlog clearance activities, including the unpacking and rewarehousing of materials and containers.

6. *Spare parts, repairs and maintenance*. Provision is made for the repair and refurbishment during the backlog clearance project of approximately 200 vehicles, trailers and material-management vehicular equipment currently held at the Base ($823,600).

7. *Petrol, oil and lubricants*. Provision is made for petrol, oil and lubricants ($30,000) for 200 vehicles which will be refurbished during the backlog clearance project.

8. *Communications spare parts and supplies*. Provision is made for spare parts and supplies for the repair of communications equipment during the backlog clearance project ($220,500).

9. *Other equipment*. Provision is made in the amount of $512,000 for spare parts for the backlog clearance project, as follows: office equipment ($133,000); 200 computers and related equipment at $300 each ($60,000); generators ($185,000); refrigeration units ($94,000); and miscellaneous equipment ($40,000).

10. *Contractual services*. Provision is made in the amount of $981,500 for the following services to be provided under contractual arrangements:

    (a) Rewarehousing, selection, preparation, packing and loading of equipment ($350,000);

    (b) Repair, maintenance or refurbishment of prefabricated containers prior to storage or shipment to missions ($81,500);

    (c) Repair of sundry office equipment and appliances including refrigerators, water heaters and ceiling or standing fans ($100,000);

    (d) Generator maintenance support services: repair, maintenance and refurbishment facility for a mixture of light and heavy generators of various manufacture and models ($450,000).

D. Requirements for non-recurrent costs

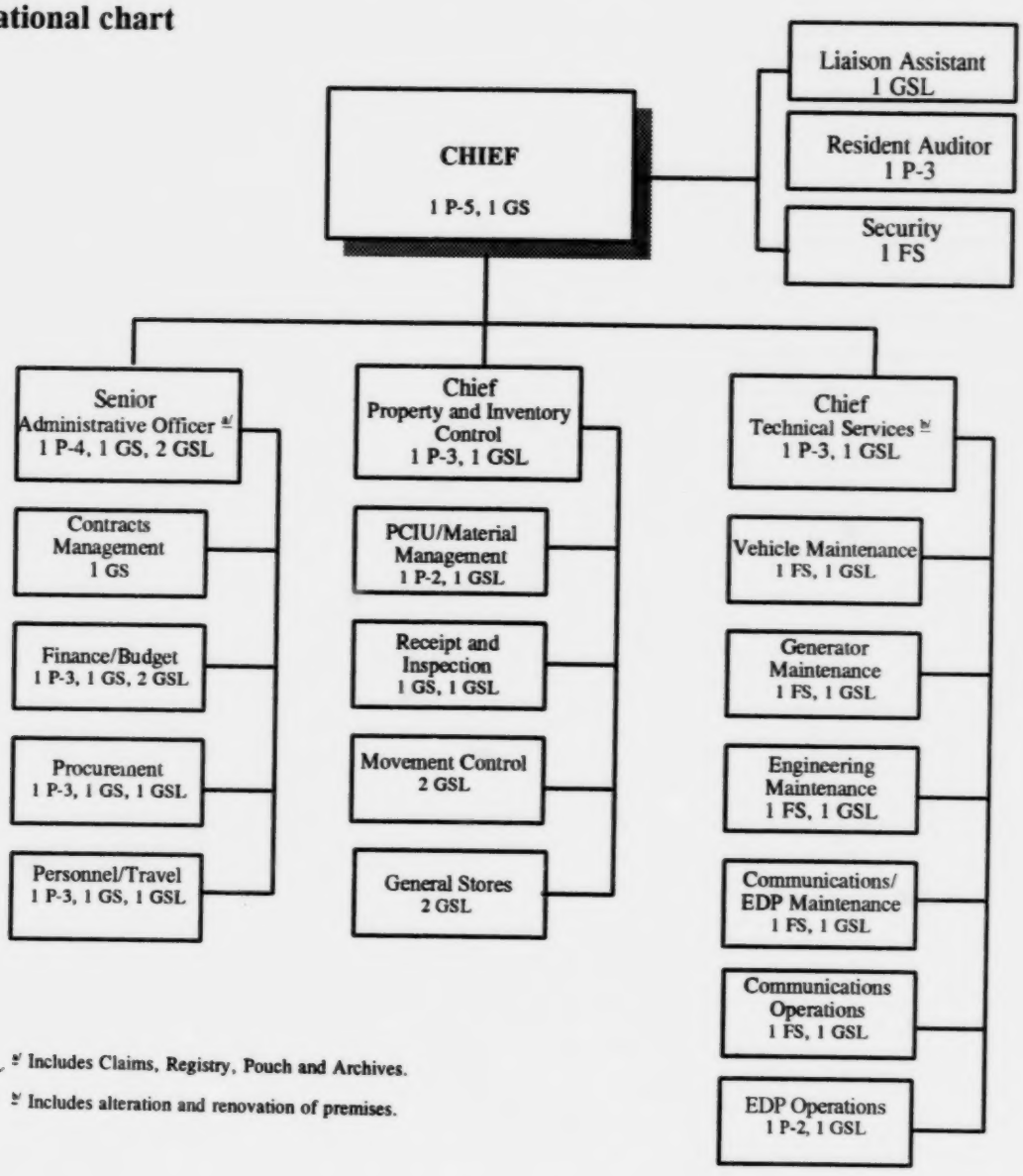
(Thousands of United States dollars, unless otherwise indicated)

		(1) Current inventory	(2) Replacement	(3) Additional	(4) Total number of units (2) + (3)	(5) Unit cost	(6) Total cost (4)x(5)
1.	**Military personnel costs**						
2.	**Civilian personnel costs**						
3.	**Premises/accommodation**						
	Rental of premises						—
	Alteration and renovation of premises						
	Repairs to Building 152						80.0
	Installation of hard stands in new buildings						100.0
	Upgrading of electrical wiring in new buildings						180.0
	Specialized shelving for transport and vehicle maintenance stores						148.0
	Maintenance supplies						—
	Maintenance services						—
	Utilities						—
	Construction/prefabricated buildings						—
	Total, line 3						**508.0**
4.	**Infrastructure repairs**						—
5.	**Transport operations**						
	Purchase of vehicles						
	Electric forklift	—	—	1	1	40.0	40.0
	Freight at 15 per cent						6.0
	Subtotal						**46.0**
	Rental of vehicles						
	Workshop equipment						
	Spare parts, repairs and maintenance						
	Petrol, oil and lubricants						
	Vehicle insurance						
	Total, line 5						**46.0**
6.	**Air operations**						—
7.	**Naval operations**						—

		(1) Current inventory	(2) Replacement	(3) Additional	(4) Total number of units (2) + (3)	(5) Unit cost	(6) Total cost (4)x(5)
8.	**Communications**						
	(a) Complementary communications						
	Communications equipment						
	Network-supported radio equipment and accessories				1	50.0	50.0
	Spare parts and supplies						
	Workshop and test equipment						
	Commercial communications						
	Subtotal						**50.0**
	(b) Main trunking contract						—
	Total, line 8						**50.0**
9.	**Other equipment**						
	Office furniture						
	Office equipment						
	Data-processing equipment						
	File servers	2	2	—	2	17.0	34.0
	Desktop computers	100	20	—	20	1.7	34.0
	Network application software				1	8.0	8.0
	Subtotal						**76.0**
	Freight at 15 per cent						11.4
	Subtotal						**87.4**
	Maintenance packages for payroll systems				1	9.0	9.0
	Subtotal						**96.4**
	Generators						
	Observation equipment						
	Petrol tank plus metering equipment						
	Water and septic tanks						
	Medical and dental equipment						
	Accommodation equipment						
	Refrigeration equipment						
	Miscellaneous equipment						
	Bar coding scanners	—	—	35	35	1.0	35.0
	Field defence equipment						
	Spare parts, repairs and maintenance						
	Water-purification equipment						
	Total, line 9						**131.4**
10.	**Supplies and services**						—
11.	**Election-related supplies and services**						—

	(1) Current inventory	(2) Replacement	(3) Additional	(4) Total number of units (2) + (3)	(5) Unit cost	(6) Total cost (4)x(5)
12. Public information programmes						—
13. Training programmes						—
14. Mine-clearing programmes						—
15. Assistance for disarmament and demobilization						—
16. Air and surface freight						—
17. United Nations Logistics Base, Brindisi						
18. Support account for peacekeeping operations						—
19. Staff assessment						
Staff assessment, international staff						
Staff assessment, local staff						
Total, line 19						—
Total, lines 1-19						**735.4**

Annex III
Organizational chart



a/ Includes Claims, Registry, Pouch and Archives.

b/ Includes alteration and renovation of premises.

Annex IV
Current and proposed staffing table

	Professional and above					General Service							
	P-5	P-4	P-3	P-2	Total	FS	Principal level	Other level	SS	Total	Local staff	Contractual personnel	UNV	Grand total
A. Current														
Office of the Chief Administrative Officer														
Chief Administrative Officer	1	—	—	—	1	—	—	—	—	—	—	—	—	1
Budget/Finance Officer	—	—	—	1	1	—	—	—	—	—	1	—	—	2
Administrative Assistant	—	—	—	—	—	—	—	—	—	—	1	—	—	1
Liaison Assistant	—	—	—	—	—	—	—	—	—	—	1	—	—	1
Contract Administrator	—	—	1	—	1	—	—	—	—	—	—	—	—	1
Property Control	—	—	1	—	1	—	—	—	—	—	2	—	—	3
Subtotal	1	—	2	1	4	—	—	—	—	—	5	—	—	9
Administrative and Technical Support														
Section Head	—	1	—	—	1	—	—	—	—	—	1	—	—	2
Personnel	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Procurement	—	—	1	—	1	—	—	1	—	1	2	—	—	4
Security	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Transport	—	—	—	—	—	—	—	—	—	—	1	—	—	1
Subtotal	—	1	1	—	2	2	—	1	—	3	6	—	—	11
Electronic Support Section	—	—	1	—	1	—	—	1	—	1	1	—	—	3
Logistics Support Section														
Logistics operations	—	—	1	—	1	—	—	—	—	—	—	—	—	1
Receiving/inspection/warehousing	—	—	—	—	—	—	—	1	—	1	2	—	—	3
Vehicle maintenance	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Communications maintenance	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Generator/general maintenance	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Subtotal	—	—	1	—	1	3	—	1	—	4	5	—	—	10
Total	1	1	5	1	8	5	—	3	—	8	17	—	—	33
B. Proposed														
Office of the Chief Administrative Officer														
Chief Administrative Officer	1	—	—	—	1	—	—	1	—	1	—	—	—	2
Resident auditor	—	—	1	—	1	—	—	—	—	—	—	—	—	1
Liaison Assistant	—	—	—	—	—	—	—	—	—	—	1	—	—	1
Security	—	—	—	—	—	1	—	—	—	1	—	—	—	1
Subtotal	1	—	1	—	2	1	—	1	—	2	1	—	—	5
Administration														
Senior Administrative Officer	—	1	—	—	1	—	—	1	—	1	2	—	—	4
Contracts Management	—	—	—	—	—	—	—	1	—	1	—	—	—	1
Finance/Budget	—	—	1	—	1	—	—	1	—	1	2	—	—	4
Procurement	—	—	1	—	1	—	—	1	—	1	1	—	—	3
Personnel/travel	—	—	1	—	1	—	—	1	—	1	1	—	—	3
Subtotal	—	1	3	—	4	—	—	5	—	5	6	—	—	15

	Professional and above					*General Service*								
	P-5	*P-4*	*P-3*	*P-2*	*Total*	*FS*	*Principal level*	*Other level*	*SS*	*Total*	*Local staff*	*Contractual personnel*	*UNV*	*Grand total*
Property and Inventory Control Unit														
Office of the Chief	—	—	1	—	1	—	—	—	—	—	1	—	—	2
Material management	—	—	—	1	1	—	—	—	—	—	1	—	—	2
Receiving and inspection	—	—	—	—	—	—	—	1	—	1	1	—	—	2
Movement control	—	—	—	—	—	—	—	—	—	—	2	—	—	2
General stores	—	—	—	—	—	—	—	—	—	—	2	—	—	2
Subtotal	—	—	1	1	2	—	—	1	—	1	7	—	—	10
Technical Services														
Office of the Chief	—	—	1	—	1	—	—	—	—	—	1	—	—	2
Vehicle maintenance	—	—	—	—	—	1	—	—	—	1	1	—	—	2
General maintenance	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Engineering maintenance	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Communications/EDP maintenance	—	—	—	—	—	1	—	—	—	1	1	—	—	2
Communications operations	—	—	—	—	—	1	—	—	—	1	1	—	—	2
EDP operations	—	—	—	1	1	—	—	—	—	—	1	—	—	2
Subtotal	—	—	1	1	2	5	—	—	—	5	7	—	—	14
Total	1	1	6	2	10	6	—	7	—	13	21	—	—	44

Annex V
Requirements for general temporary assistance for the period from 1 July 1997 to 30 June 1998

A. Maintenance budget

Section/unit	*Number of personnel*	*Number of person-months*	*Function*
Office of the Chief	6	72	Security
Finance	2	24	Finance assistants
Procurement	1	12	Invoices
	1	12	Disposal and sale
Personnel	1	12	Personnel assistant
General Service	2	24	Central registry
	1	12	Archives
	1	12	Stores
Claims	1	12	Administrative assistant
Buildings management	1	12	Works supervisor
	1	12	Stores
	1	12	Plumber
	1	12	Carpenter
	1	12	Mason
	1	12	Stores records
	1	12	Electrician
	1	12	Metal worker
	1	12	Assistant tradesman
General stores maintenance	1	12	Foreman
Engineering maintenance	1	12	Foreman
Electronic support	2	24	EDP maintenance
	2	24	Communications maintenance
	2	24	Office equipment maintenance
	2	24	EDP operations
Material management	1	12	Administrative assistant
	1	12	Warehouse administration
	2	24	General Services warehouse
	1	12	EDP warehouse
	1	12	Communications warehouse
	1	12	Engineering warehouse
	1	12	Spare parts shelf storage warehouse

Section/unit	*Number of personnel*	*Number of person-months*	*Function*
Property control/materials management	2	24	Materials management control
	1	12	Property control/inventory
	2	24	Codification
Receiving and inspection	1	12	Vendors
	1	12	Register
	1	12	Data
Movement control/despatch	1	12	Movement assistant
Generator maintenance	2	24	Generator technician
	1	12	Storeman
Vehicle maintenance/transport	4	48	Vehicle maintenance
	1	12	Painter
	1	12	Panel beater
	2	24	Storeman
	1	12	Auto electric
	1	12	Administration
	2	24	Drivers
	1	12	Container repair
Total	**68**	**816**	

B. Backlog clearance project

Section/unit	*Number of personnel*	*Number of person-months*	*Function*
Electronic support	1	6	Audio visual
	1	6	Rigging assistant
	1	6	Communications assistant
	1	6	EDP assistant
Finance	1	6	Finance assistant
Engineering	13	78	
Vehicle maintenance	6	36	
Generator maintenance	8	48	
Materials management	1	6	Materials management control
	1	6	Property control/inventory
	8	48	Receiving and inspection
	16	96	Warehouse
Total	**58**	**348**	

Annex VI
Shipments to the United Nations Logistics Base from field missions and United Nations Headquarters, 1994-1996

Source mission	*Number of shipments*	*Tonnage received*
UNOSOM	13	14 434
UNPF	64	1 704
ONUMOZ	4	1 206
UNMIH	3	550
United Nations Supply Depot	1	192
UNAMIR	3	58
UNTAES	1	25
UNIFIL	1	4
UNDOF	1	3
ONUSAL	1	1
UNAVEM	1	1
Totals	**93**	**18 178**

Annex VII
Shipments from the United Nations Logistics Base to field missions, 1994-1996

Destination mission	*Number of shipments*	*Tonnage shipped*
UNAVEM	21	6 261
UNMIH	17	3 535
UNIFIL	11	940
UNOMIL	10	622
UNDOF	8	558
UNPF	40	496
UNTAES	5	272
MINURSO	9	164
UNOMIG	9	161
UNFICYP	15	97
UNMOT	15	52
UNMIBH	8	26
UNIKOM	11	13
UNTSO	7	8
UNMOGIP	12	3
MINUGUA	5	3
UNPREDEP	5	3
United Nations Administrative Unit at Baghdad	3	1
Totals	**211**	**13 211**

Note: Annexes VI and VII show major shipments only; they do not include the many smaller packages received and sent by the Base.

Annex VIII
Cost avoidance analysis of the operation of the United Nations Logistics Base at Brindisi

1. At the commencement of operations at the United Nations Logistics Base at Brindisi, the majority of the equipment and material which was transferred to missions was shipped in an "as is" condition because there had not been time to establish repair and refurbishment facilities; it was not until mid-1996 that an intensive and concentrated effort was put into repair. An overall cost-benefit analysis of the operation of the Base during the period from 24 November 1994 to 31 December 1996, during which shipments of *matériel* from closing missions were approximately $130 million (based on "original" values, as used in the original shipping documents) can be evaluated with the following results:

		$
A.	Original value of material shipped by the Base to missions in lieu of new procurement	62 700 000
B.	Input costs of the operation of the Base in 1995-1996	13 000 000
C.	The net savings resulting from the operation of the Base during the period from 24 November 1994 to 31 December 1996 were therefore at least	49 700 000

2. After making the shipments to avoid new procurement costs, the Base still retains a significant inventory (approximately $67.3 million), which requires repair or refurbishment. While much of this equipment and material requires technical assessment to determine whether it would be more cost-effective to repair and retain it or dispose of it, it is estimated that the value of the Base's remaining useful assets and consumables is approximately $61.6 million. This *matériel* includes engineering material, communications equipment, electronic data-processing equipment, general stores, transport material, prefabricated buildings, sea containers and consumable materials, such as spare parts and accoutrements.

3. On the very conservative assumptions that:

   (a) Only 60 per cent of this material will be required by existing and new field missions over the next two years;

   (b) No additional *matériel* will be received by the Base;

   (c) The cost of maintaining the Base is estimated at $10.2 million per year,

   it can be seen that the Base now has the potential to save the Organization *at least* a further $16.5 million net (60 per cent of $61.6 million less (2 x $10.2 million)) in procurement costs over the next two years. In fact, the potential for savings is even greater than this, as this figure is based on the *unlikely* assumption that no additional *matériel* will be received by the Base. Given that the Base is, at the present time, receiving hundreds of containers of *matériel* from the United Nations Peace Forces and that UNAVEM III will be liquidated early in the two-year period under review, the Base can in fact expect to receive very large quantities of additional partly used *matériel* for future redistribution.

4. Finally, this pure cost-benefit analysis cannot show the significant savings in delivery times achieved by the reuse of existing United Nations assets, as opposed to going through the entire procurement cycle to obtain the required items. Typically, the former process takes only two to four weeks of preparation and shipping to deliver the required items to a mission area, compared with four to five months for the latter process.